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# All Types of Buildings

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# Business and Industrial Guaranteed Loan Program

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**T**he business and industry program guarantees loans made by commercial lenders against a portion of loss resulting from borrower default. Loan proceeds may be used for working capital, machinery and equipment, energy efficiency improvements, buildings and real estate, and certain types of debt refinancing.

The maximum percentage of guarantee is 80 percent for loans of \$5 million or less, 70 percent of loans between \$5 and \$10 million, and 60 percent for loans exceeding \$10 million up to and including \$25 million. Under certain circumstances, guarantees up to 90 percent can be made on loans of \$10 million or less.

## ***Lenders***

The loan is made by a commercial lender — generally authorized lenders, federal or state chartered banks, credit unions, insurance companies, savings and loan associations, Farm Credit Bank, other Farm Credit System institutions with direct lending authority, or mortgage company that is part of a bank-holding company — plus the National Rural Utilities Cooperative Finance Corporation, eligible Rural Utilities Service borrowers, and other lenders, approved by USDA Rural Development, who have met the designated criteria.

## ***Who Is Eligible?***

Virtually any legally organized entity — cooperative, corporation, partnership, trust or other entity organized and operating on a profit

or nonprofit basis, Native American tribe or federally recognized tribal group, municipality, county or other political subdivision of a state or an individual — is eligible for a loan provided the community is smaller than 50,000 in population.

Interested applicants should contact the Rural Development Office in their area for preapplication consultation.

## ***Loan Amount***

The maximum aggregate guaranteed loan(s) amount is \$25 million to any one borrower.

## ***Loan Maturity***

Maximum loan maturities are 7 years for working capital, 15 years for machinery and equipment and 30 years for real estate.

**Continued on page 33**

## **Business and Industrial Guaranteed Loan Program**

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### ***Other Criteria***

Collateral must be sufficient to protect the interests of the lender and the government and usually include personal and/or corporate guarantees.

### ***Funding***

The allocation to Nebraska for fiscal year 1998 is \$4,673,000

### ***For More Information, Contact***

#### **Roger Meeks**

USDA Rural Development Office  
6030 South 58th Street  
Lincoln, NE 68516  
Phone 402-423-3231  
Fax 402-423-7614  
Email [rmeeks@rdasun2.rurdev.usda.gov](mailto:rmeeks@rdasun2.rurdev.usda.gov)

#### **Glen Gatz**

USDA Rural Development Office  
P.O. Box 730  
Kearney, NE 68848  
Phone 308-236-5474  
Fax 308-236-6290  
Email [ggatz@rdasun2.rurdev.usda.gov](mailto:ggatz@rdasun2.rurdev.usda.gov)

#### **Robert Prochaska**

USDA Rural Development Office  
1909 Vicki Lane, Suite 103  
Norfolk, NE 68701  
Phone 402-371-6193  
Fax 402-371-8930  
Email [bprochas@rdasun2.rurdev.usda.gov](mailto:bprochas@rdasun2.rurdev.usda.gov)

#### **Roberta Meus**

USDA Rural Development Office  
P.O. Box 2009  
North Platte, NE 69103  
Phone 308-534-3131  
Fax 308-534-3132  
Email [rmeus@rdasun2.rurdev.usda.gov](mailto:rmeus@rdasun2.rurdev.usda.gov)

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# Historic Preservation Tax Credit

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**T**he Historic Preservation Tax Credit is designed to provide 20 percent of allowable costs for rehabilitating historic buildings for commercial, industrial, and rental residential purposes. In addition, a 10 percent tax credit is available for non-residential rehabilitation on non-historic structures built prior to 1936.

## ***Eligibility***

Five criteria exist in order to be eligible for the Historic Preservation Tax Credit. The structures must be certified historic buildings, rehabilitation efforts must meet the Secretary of the Interior's Standards for Rehabilitation, the structure must be a depreciable building and not an owner occupied residence, rehabilitation expenses must be substantial, and the rehabilitation of the structure must be completed within two years.

## ***How to Apply***

Individuals interested in a Historic Preservation Tax Credit should contact the State Historic Preservation Office. The National Park Service will review requests and issue applicable tax credit certification. An application fee may be required depending on the overall cost of the project.

## ***For More Information, Contact***

### **Bob Puschendorf**

Nebraska State Historical Preservation Office  
Nebraska State Historical Society  
P.O. Box 82554  
Lincoln, NE 68501  
Phone 402- 471-4769  
Fax 402-471-3316

## Lease Purchase Agreements

**L**ease purchase enables the applicant to acquire the use of property or equipment without an initial cash outlay. At the end of a capital lease or lease purchase, the lessee has the option of purchasing the equipment at the price stipulated in the lease.

Leases for financing of energy efficiency equipment are provided by a number of companies serving Nebraska.

Leases are sometimes used for financing of energy efficiency equipment. Leasing companies serving Nebraska include:

### **Bill Giovanni**

Ameritas Investment Corporation  
5900 O Street  
Lincoln, NE 68510-2234  
Phone 402-467-6921 or  
Toll Free 800-228-8712  
Fax 402-467-6942  
Email [bgiovanni@ameritas.com](mailto:bgiovanni@ameritas.com)

### **Maria Sherffius**

FBS Investments  
233 South 13th St. 10th Floor  
Lincoln, NE 68508-2003  
Phone 402-434-7376 or  
Toll Free 800-742-7376  
Fax 402-434-1109

### **Kirk Jameson**

Kirkpatrick Pettis  
301 South 13th St., Suite 711  
Lincoln, NE 68508  
Phone 402-475-5602 or  
Toll Free 800-955-2557  
Fax 402-473-2175

### **W. Don Nelson**

Smith Hayes Financial Services  
Corporation  
200 Centre Terrace  
P.O. Box 83000  
Lincoln, NE 68501-3000  
Phone 402-437-1050  
Direct Dial 402-437-1050 or  
Fax 402-476-6909

### *For More Information, Contact*

#### **National Association of Energy Companies**

<http://www.naesco.org/provider.htm#>

#### **Lightworld's Directory**

<http://www.lightworld.com/11wesco.htm>

#### **The International Council for Local Environmental Initiatives**

<http://www.iclei.org/manualsfdirect.htm>

#### **Energy Fitness Program**

<http://www.ornl.gov/EFP/>

#### **Financing Solution** (limits to programs)

<http://www.eren.doe.gov/financing>

The Energy Office is providing this list of firms for information purposes. Inclusion on this list does not imply endorsement of a firm or its products by the State of Nebraska.

# Loan Guaranty Program

The 7(a) Loan Guaranty Program is one of the Small Business Administration's primary loan guaranty programs. It provides loan guaranties to small businesses unable to secure financing on reasonable terms through normal lending channels. The program operates through private sector lenders that provide loans which are in turn guaranteed by the Small Business Administration.

The guaranteed loans can be used for most business purposes. These include the purchase of real estate for business operations; construction, renovation or leasehold improvements, including energy efficiency improvements; acquisition of furniture, fixtures, machinery and equipment; purchase of inventory; and working capital.

## Eligibility

Although most small businesses are eligible for Small Business Administration Loans, some types of businesses are ineligible and a case-by-case determination must be made by the Small Business Administration. Eligibility is generally determined by type and size of business as well as use of loan funds.

Applicant businesses must operate for a profit; be engaged in, or propose to do business in, the United States or its possessions; have reasonable owner equity to invest; and use alternative financial resources first, including personal assets.

Standards defining the maximum size of an eligible small business vary according to industry as follows:

Industry	Size
Retail and service ..	\$3.5 to \$13.5 million sales
Construction .....	\$7.0 to \$17.0 million sales
Agriculture .....	\$0.5 to \$3.5 million sales
Wholesale .....	No more than 100 employees
Manufacturing .....	500 to 1,500 employees

## Maximum Loan Amount

The maximum amount of loan guaranty is generally \$750,000. If a lender requests the maximum guaranty of 75 percent, the total loan amount available under the 7(a) program would normally be limited to \$1 million.

## Maximum Guaranty Percent

For loans of \$100,000 or less, the guaranty is up to 80 percent of the loan. For loans in excess of \$100,000, the guaranty is up to 75 percent to a maximum guaranty amount of \$750,000.

## How to Apply

The Small Business Administration becomes involved in a loan only if the lender believes the assistance of the Small Business Administration is needed. The loan customer and lender together would complete the application for the loan guaranty.

## For More Information, Contact

### Small Business Administration District Office

11145 Mill Valley Road  
Omaha, Nebraska 68154  
Phone 402-221-4691  
Fax 402-221-3680

**Barbara Foster** for northeast Nebraska,  
Douglas County and Sarpy County.

**Tracey Rucker** for all of Nebraska, except  
northeast Nebraska and Douglas and Sarpy  
Counties.

Web Site [http://www.sbaonline.sba.gov/  
business\\_finances/pollute/all.html](http://www.sbaonline.sba.gov/business_finances/pollute/all.html)

# LowDoc Guaranty Program

**T**he LowDoc Program was designed to increase the availability of loans under \$100,000 to small businesses and streamline and expedite the Small Business Administration's loan review process. It offers a simple, one-page application form and rapid turnaround on loans of up to \$100,000. Completed applications are processed quickly by the Small Business Administration upon receipt from the lender, usually within two or three days. Consequently the loan decision process relies heavily upon the strength of the borrower's character and credit history.

The guaranteed loans can be used for most business purposes. These include the purchase of real estate for business operations; construction, renovation or leasehold improvements, including energy efficiency improvements; acquisition of furniture, fixtures, machinery and equipment; purchase of inventory; and working capital.

## ***Eligibility***

Although most small businesses are eligible for Small Business Administration Loans, some types of businesses are ineligible and a case-by-case determination must be made by the Small Business Administration. Eligibility is generally determined by type and size of business as well as use of loan funds.

Applicant businesses must operate for a profit; be engaged in, or propose to do business in, the United States or its possessions; have reasonable owner equity to invest; and use alternative financial resources first, including personal assets.

Standards defining the maximum size of an eligible small business vary according to industry as follows:

Industry	Size
Retail and service ..	\$3.5 to \$13.5 million sales
Construction .....	\$7.0 to \$17.0 million sales
Agriculture .....	\$0.5 to \$3.5 million sales
Wholesale .....	No more than 100 employees
Manufacturing .....	500 to 1,500 employees

## ***Maximum Loan Amount***

The maximum loan amount under the LowDoc program is \$100,000.

## ***Maximum Guaranty Percent***

The Small Business Administration may guaranty up to 80 percent of LowDoc loans.

## ***How to Apply***

The Small Business Administration becomes involved in a loan only if the lender believes the assistance of the Small Business Administration is needed. The loan customer and lender together complete the application for the loan guaranty which is submitted to the Small Business Administration by the lender.

## ***For More Information, Contact***

### **Jerry Kleber**

Small Business Administration District Office  
11145 Mill Valley Road  
Omaha, Nebraska 68154  
Phone 402-221-4691  
Fax 402-221-3680  
Web Site [http://www.sbaonline.sba.gov/  
business\\_finances/pollute/all.html](http://www.sbaonline.sba.gov/business_finances/pollute/all.html)

# 1998 Multi-Family Electric Heat Incentive Program

The following guidelines will generally apply. Exceptions will be handled on a case-by-case basis.

1. All space heating and water heating equipment must be permanently installed.

2. An incentive payment will be paid to the owner of a building after the equipment is installed, operating and verified by Nebraska Public Power District or by a participating utility.

3. Apartments are considered multi-family if they are separately metered. An apartment building is considered to be commercial if it is master metered. Duplexes and condominiums will be considered residential.

4. "New" refers to new construction with new equipment.

Conversion means that the primary source of heat had been a fossil fuel system, which must be removed except in the case of an add on heat pump.

Replacement with a more efficient heat pump system (indoor coil and outdoor unit) for an entire building qualifies as an air source heat pump heating upgrade.

Resistance to resistance equipment change outs are not eligible. Replacements by electric furnaces do not qualify as upgrades.

Replacement of an air conditioner with another air conditioner does not qualify as an upgrade.

5. To be eligible for a SEER, or Seasonal Energy Efficiency Rating, payment, an apartment must be totally electrically heated or heated with air source heat pumps with fossil fuel backup. An apartment with a fossil fuel

furnace and air conditioner is not eligible for a SEER payment.

6. The SEER value for an air source heat pump or an air conditioner will be taken from the Air-conditioning Refrigeration Institute Unitary Directory for the Manufacturer and the Specific Equipment Model Designation. The Model Designation consists of an Outdoor Unit model number and an Indoor Unit model number. The Indoor Unit model number identifies the air handler and the coil. The specific equipment must be Air-conditioning Refrigeration Institute listed to qualify for a new, conversion or upgrade payment (heat pump only).

7. The Cooling EER value may be used instead of a SEER value for a ground source heat pump. The Cooling EER value will be taken from the Air-conditioning Refrigeration Institute Applied Products Directory for the Manufacturer and the Specific Equipment Designation. For a ground water source (open loop) heat pump, the Low Temperature Cooling EER (at 50°F inlet fluid temperature) may be used. For a closed loop ground source heat pump, only one rating condition is available (at 77°F inlet fluid temperature).

8. Primary and secondary payment combinations are not applicable for multi-family heating.

9. A resistance water heater must be a minimum of 40 gallons in size to be eligible. If a water heating system involving a heat pump also includes a resistance water heater tank, the resistance water heater tank is not eligible for a separate payment.

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## 1998 Multi-Family Electric Heat Incentive Program

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10. Additions and supplemental equipment are not eligible for incentive payments.

All applications in the electric heat incentive program which meet program eligibility requirements will be approved. There is no limit on the number of applications which can be funded.

**1998 Electric Heat  
Incentive Program  
*Multi-Family Heating & Cooling***

	Resistance	Air Source Heat Pump	Ground Source Heat Pump
Heating	\$150	\$300	\$500
Cooling*	\$50	\$100	\$100
Possible			
<b>TOTAL</b>	\$200	\$400	\$600

***Multi-Family Water Heating***

Resistance	Integrated Equipment, Stand Alone Heat Pump Water Heater, or Desuperheater
\$50	\$100

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\* Cooling Payment:  
Minimum SEER - Air Conditioning = 11.0  
Minimum SEER - Heat Pumps = 10.0

Notes: Upgrades are limited to equipment "change outs" that provide increases in heating efficiency.

Upgrades are paid at the new and conversion equipment rate.

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***For More Information, Contact***

**Ken Curry**

Energy Services Team Leader  
Nebraska Public Power District  
P.O. Box 499  
Columbus, NE 68502-0499  
Phone 402-563-5330  
Fax 402-563-5090  
Email [kbcurry@nppd.com](mailto:kbcurry@nppd.com)

# 1998 Commercial Electric Heat Incentive Program

The following guidelines will generally apply. Exceptions will be handled on a case-by-case basis:

1. All space heating and water heating equipment must be permanently installed.
2. An incentive payment will be paid to the owner of a building after the equipment is installed, operating and verified by the utility or by a participating utility.
3. An apartment building is considered to be commercial if it is master metered. If the apartments are separately metered, they will be considered to be multi-family. Duplexes and condominiums will be considered residential.
4. "New" refers to new construction with new equipment.

An addition to a commercial building is eligible for a "new payment" if a new heating system is being installed in a new addition.

Conversion means that the primary source of heat had been a fossil fuel system, which must be removed except in the case of an add on heat pump.

Replacement with a more efficient heat pump system (indoor coil and outdoor unit) for an entire building qualifies as an air source heat pump heating upgrade.

Resistance to resistance equipment change outs are not eligible. Replacements by electric furnaces do not qualify as upgrades.

Replacement of an air conditioner with another air conditioner does not qualify as an upgrade.

5. A commercial heating payment is determined by multiplying the respective matrix value times the design heating load in kilowatts. The design heating load may be calculated by the utility's Energy Management

personnel or by an engineer, or may be estimated using a value of 6 watts per square foot (0.006 kilowatts/sf) times the square foot floor area (excluding basement). The installed capacity (in output kilowatts) may be used instead of the design heating load if it is a reasonable value. For a heat pump, the installed kilowatts may be calculated by dividing the heat pump British thermal units per hour cooling capacity by 3,413. Backup heat is not included as part of heat pump capacity. No payment is made for heat pump backup heat. NPPD reserves the right to determine the appropriateness or to limit the value of a design heating load, determined by any of the above methods

6. Normally, an agricultural building is not eligible for incentive payments. Two exceptions are: an office area is eligible for a space heating incentive payment and water heating incentive payment. A heat reclaim water heater installed in a dairy barn will be eligible for payment as a heat pump water heater.

7. To be eligible for a SEER payment, a whole building must be totally electrically heated or heated with air source heat pumps with fossil fuel backup. A building with fossil fuel furnaces and air conditioners is not eligible for a SEER payment. The SEER payment is available only in conjunction with a new, conversion or upgrade space heating payment.

8. The SEER value for an air source heat pump or an air conditioner will be taken from the Air-conditioning Refrigeration Institute Unitary Directory for the Manufacturer and the Specific Equipment Model Designation. The Model Designation consists of an Outdoor Unit model number and an Indoor Unit model number. The Indoor Unit model number identifies the air

Continued on page 41

handler and the coil. The specific equipment must be Airconditioning Refrigeration Institute listed to qualify for a new, conversion or upgrade payment (heat pump only). The cooling capacity in tons is calculated by dividing the cooling capacity in million British thermal units per hour by 12 (or dividing British thermal units per hour by 12,000).

9. The Cooling EER, or Energy Efficiency Rating, value may be used instead of a SEER value for a ground source heat pump. The Cooling EER value will be taken from the Airconditioning Refrigeration Institute Applied Products Directory for the Manufacturer and the specific equipment Designation. For a ground water source (open loop) heat pump, the Low Temperature Cooling EER (at 50°F inlet fluid temperature) may be used. For a closed loop ground source heat pump, only one rating condition is available (at 77°F inlet fluid temperature). The cooling capacity in tons is calculated by dividing the cooling capacity in British thermal units per hour by 12,000.

10. For a two-speed heat pump, the average of the high speed and the low speed Cooling Capacity and SEER or EER values may be used in the SEER payment calculation.

11. Primary and secondary payment combinations are not applicable for commercial space heating.

12. A limit of \$4,000 applies for commercial water heating. If a water heating system involving a heat pump also includes a resistance water heater tank, the resistance water heater tank is not eligible for a separate payment.

13. Supplemental heat is not eligible for an incentive payment.

14. For a commercial ground source heat pump system larger than 25 tons, the following will apply:

a. The average of all the equipment installed must be 13.0 EER or above (at Airconditioning Refrigeration Institute 330 conditions).

b. All circulating pumping equipment must be variable speed to be eligible for the full cooling EER payment rate of \$12 x tons x (EER-10). If the circulating pumping equipment is not variable speed, the cooling EER payment will be reduced to a lower rate of \$6 x tons x (EER-10).

c. The capacity of heat recovery equipment will be calculated as part of the overall heating system incentive payment.

d. The participating utilities have the option of conducting periodic inspections of the installation and to require an on-site factory start-up performance and design verification.

#### 1998 Electric Heat

#### Incentive Program

#### Commercial Heating & Cooling

	Resistance	Air Source Heat Pump	Ground Source Heat Pump
Heating	\$20/kW	\$35/kW	\$50/kW
Cooling*	\$12 x tons x (SEER-11	\$12 x tons x (SEER-10)	\$12 x tons x (EER-10)

#### Commercial Water Heating

Resistance	Integrated Equipment, Stand Alone Heat Pump Water Heater, or Desuperheater
\$2/gallon	\$4/gallon

\* Cooling ratings will be from the Airconditioning Refrigeration Institute Directories. Refer to guidelines for cooling incentive payments for commercial ground source heat pumps over 25 tons.

Note: Upgrades are limited to equipment "change outs" that provide increases in heating efficiency.

Upgrades are paid at the new and conversion equipment rate.

#### For More Information, Contact

##### Ken Curry

Energy Services Team Leader  
Nebraska Public Power District  
P.O. Box 499  
Columbus, NE 68502-0499  
Phone 402-563-5330  
Fax 402-563-5090  
Email kbc Curry@nppd.com

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## Performance Contracting

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**A**n energy services company is a private company that provides an array of energy efficiency and conservation services including developing, installing and financing comprehensive, performance-based projects with the objective of improving the energy efficiency of facilities owned or operated by their clients.

Performance-based means that the compensation of the energy services company is linked to the amount of energy saved. Projects are comprehensive when the energy service company targets a broad array of cost-effective measures for a facility.

Energy service companies are project developers in that they identify, design and finance the project. They install and maintain project equipment, verify the project's energy savings, and assume the risk that projected energy savings do not materialize.

The National Association of Energy Service Companies' accreditation program sets standards for energy service companies. For a company to qualify as an energy service company under the Association's accreditation rules it must demonstrate that it has technical and managerial competence to develop comprehensive energy efficiency projects, that it offers a full range of energy services — from energy audits to financing to savings verification — and that it develops performance-based projects in which its compensation is based on energy savings.

Performance contracting refers to the practice of providing energy savings to a customer for a fee, the level of which depends on the amount of energy saved.

Some energy service companies located in the Midwest that currently serve Nebraska are:

### **Robert Fleming**

Energy Masters Corporation  
9101 W. 110th Street  
Suite 200  
Overland Park, KS 66210-1449  
Phone 913-469-5454, Ext. 119  
Fax 913-469-5343  
Email [robert.a.fleming@emasters.com](mailto:robert.a.fleming@emasters.com)

### **James Crossman**

Financial Energy Management  
1625 Downing Street  
Denver, CO 80218  
Phone 303-832-1920  
Fax 303-831-8221  
Email [financiae@aol.com](mailto:financiae@aol.com)

### **Joan Sullivan**

Honeywell, Inc.  
Honeywell Plaza  
MN27-3246  
P.O. Box 524  
Minneapolis, MN 55440  
Phone 612-830-3677  
Fax 612-830-3884  
Email [joanne.sullivan@HBCfield.honeywell.com](mailto:joanne.sullivan@HBCfield.honeywell.com)

### **Jim Foley**

Johnson Controls, Inc.  
4308 South 89th Street  
Omaha, Nebraska 68127  
Phone 402-331-6161  
Fax 402-331-1022  
Email [james.e.foley@jci.com](mailto:james.e.foley@jci.com)

### **Marcia Gray**

Custom Energy, LLC  
9217 Cody St.  
Overland Park, KS 66214  
Phone 913-888-8050  
Fax 913-888-5558  
Email [marciag@customenergy.com](mailto:marciag@customenergy.com)

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## Performance Contracting

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### **Alan Riefenberg**

United Financial of Illinois  
800 East Diehl Road, Ste. 185  
Naperville, IL 60563  
Phone 630-955-0188  
Fax 630-955-0195  
Email [ariefenberg@unitedfinancial-il.com](mailto:ariefenberg@unitedfinancial-il.com)

### **John Mahoney**

Viron Energy Services  
216 NW Platte Valley Drive  
Riverside, MO 64150  
Phone 816-741-3500  
Fax 816-746-0260  
Email [jmahoney@viron.com](mailto:jmahoney@viron.com)

The Energy Office is providing this list of firms for information purposes. Inclusion on this list does not imply endorsement of a firm or its products by the State of Nebraska.

### *For More Information, Contact*

#### **National Association of Energy Companies**

<http://www.naesco.org/provider.htm#>

#### **Lightworld's Directory**

<http://www.lightworld.com/11wesco.htm>

#### **The International Council for Local Environmental Initiatives**

<http://www.iclei.org/manualsfdirect.htm>

#### **Energy Fitness Program**

<http://www.ornl.gov/EFP/>

#### **Financing Solution** (limits to programs)

<http://www.eren.doe.gov/financing>

# 6% Dollar and Energy Saving Loans

*For Home, Building and System Improvements and More*

Many common home, building or system energy improvements qualify for financing. These projects are generally cost-effective and can be financed with a low-interest loan for up to ten years, or for five years for appliances.

- **Refrigerator, Freezer, Dishwasher or Clothes Washer** replacements.
- **Insulation** added to walls, floors, ceilings, attics and other building envelope surfaces.
- **Windows and Doors** replaced or repaired or storm windows and doors installed.
- Certain high performance new windows or glass doors
- Certain high performance new doors
- **Building Air Leaks** sealed with caulk and weatherstrip or thresholds installed.
- **High Efficiency Heating Equipment** installed, including furnaces, boilers and heat pumps.
- Forced air gas furnace, AFUE 90 minimum
- Steam or hot water boiler, AFUE 83 minimum
- Radiant heating, Combustion Efficiency 80% minimum
- Combination water and space heater, CAE 74 minimum
- **High Efficiency Air Conditioning Equipment** installed, including window and central air conditioners and heat pumps.
- Central air conditioner, 12.0 SEER minimum
- Room or window air conditioner, 10.0 EER minimum
- Air source heat pump, 12.0 SEER/7.8 HSFP minimum
- Ground water or ground coupled heat pump, 13.0 EER/3.0 COP minimum
- **High Efficiency Water Heaters.**
- **Thermostats** and other controls.
- **Duct, Pipe and Water Heater Insulation.**
- **High Efficiency Lighting and Controls.**
- **Alternate Fuel Vehicles and Fueling Facilities.**
- **Telecommunications Equipment** such as network access equipment, video and audio conferencing devices and other equipment which save energy by reducing the need for

physical transportation.

- **Other Energy Efficiency and Waste Minimization** projects can be financed in some situations. Contact the Energy Office for details.

Required efficiency standards for other improvements are listed on specific forms..

## ***Borrower Maximums***

### **Residences**

Single Family dwelling limit - \$20,000

Multi-Family Buildings — \$60,000

### **Businesses and Non-Profits**

**Small Firms** with 25 or fewer full-time equivalent employees and \$2.5 million or less in annual sales or revenues — \$100,000

**Larger firms**, including manufacturers, may finance energy efficiency and waste minimization projects — \$150,000

### **Government**

All political subdivisions, except schools and state government — \$175,000

**Telecommunications Projects** — \$150,000

**Alternate Fuel Projects** — \$150,000

## ***About The Loans***

Energy saving loans are offered statewide by the Nebraska Energy Office and the state's lending institutions.

The interest rate is 6% or less, but may be adjusted semi-annually. Adjustments do not affect existing loans. Check with your lender or the Nebraska Energy Office for the current rate.

## ***Getting Loan Forms***

Obtain the application forms for the improvements you want to make. Specific energy efficiency requirements are listed on the forms for each type of project.

- Form 1: Appliance Replacement
- Form 2: Door, Window, Wall and Ceiling Projects (if your project includes siding or roofing, you must attach supplemental Forms 2 SIDING, 2 ROOFING, or 2

WINDOW/DOOR.)

- Form 3: Heating, Cooling and Water Heating Projects
- Form 4: Lighting Projects
- Form 6: Technical Audit Acceptance (see Getting a Loan for Other Improvements)
- Form 7: Alternate Fuel Vehicles
- Form 8: Telecommunications Equipment

All forms are available from the Nebraska Energy Office as well as most participating lenders.

## ***Price Quotes***

Obtain price quotes or bids from contractors, dealers or installers for the desired projects, but do not proceed with any work or contractually obligate yourself to proceed. (If you do, you lose your eligibility to finance the project through the Energy Office. You may accept a bid, contingent on Energy Office approval of your project, to lock in the price.) Only one bid is required by the Energy Office. However, it is prudent to compare several bids and some lenders may require more than one bid. If there is a minimum performance requirement for a particular project, such as a heating or cooling unit, make sure the bidder is aware of the requirement and ask the bidder to mark the performance factor on the bid form. If more than one project is included on a bid form, or if there is additional work which does not qualify for low-interest financing, costs of each qualifying project must be itemized.

Complete all the information requested on each form and attach the price quotes or bids that you intend to accept. You may install projects yourself, but may not include the value of your labor in the project cost. If the project will result in a rebate, the amount of that rebate must be deducted from the project cost.

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## Go To Your Lender

Take the completed forms to a participating lender — a Nebraska bank, savings institution or credit union of your choice. Most financial institutions in Nebraska offer Dollar and Energy Saving Loans. If your present financial institution does not, contact the Energy Office for names of participating lenders in your area. You must provide the information required by the lender to complete your loan application and determine that you meet the institution's credit requirements. Lenders are encouraged to make these loans for the maximum term. If your lender does not, or if you are not satisfied with fees or other details of the loan, you may want to contact another participating lender.

The lender will approve your loan application and then submit the information to the Energy Office for review. After the Energy Office approves your project and reserves funds for your loan, your lender will notify you to proceed with your improvements. The waiting period for approval varies with availability of funds. Ask your lender for a current estimate of the waiting period. ***Do not begin any part of the project until your lender notifies you of Energy Office approval.***

Your lender will notify you when to proceed with the work. All qualifying work should be completed within 120 days after Energy Office approval. When completed, notify the lender to finalize any remaining details.

Start repaying your loan while you enjoy the lower energy bills and operating costs provided by the improvements you have undertaken.

## Loan Particulars and Incidental Costs

All improvement costs can be financed with a loan. However, the total amount borrowed by any one individual, business or organization may not exceed the limits listed. A borrower may finance less than 100% of the cost of the improvements.

Loans can only be made for the cost of goods and services, not for labor provided by the borrower.

The only fees a participating lender may charge are out-of-pocket expenses, a physical inspection fee of up to \$50, a loan documentation fee to cover indirect or overhead costs up to \$50, and a 2% origination fee if the term of the loan is for the maximum length of time — ten years for home, building and system improvements, five years for appliance replacements and the simple

payback period for projects requiring an audit. Fees for mortgages may be different. Maximum length of the loan varies for other types of projects.

Consult the specific application form for the maximum length of the loan. If a lender charges any of these fees, the final annual percentage rate on your loan may be higher than the program's simple interest rate.

Only a legal resident of Nebraska may apply for a loan. A legal resident is a Nebraska taxpayer, a Nebraska-chartered corporation, a subdivision of Nebraska government or a person who has maintained a permanent residence and lived in the state for more than six months.

Residence requirements may differ for Climate Wise and Rebuild Nebraska partners.

All buildings and systems being improved must be located in Nebraska.

## Emergencies

Projects may not be started prior to written Energy Office loan approval except in two emergency situations:

- When a heating system fails or is red-tagged during the winter months or,
- When a cooling system fails during the summer months and immediate replacement is essential for verifiable medical reasons.

In either case, the lender may obtain Energy Office approval for immediate installation of qualifying equipment. Then the improvement may be financed with a conventional loan until the Energy Office commits funds to refinance the balance of the loan at a lower interest rate.

Equipment installed in an emergency must still meet minimum performance requirements and the borrower must still meet the lender's credit requirements.

## Getting a Loan for Other Improvements

If you want to install an improvement which is not listed on one of the forms (1-4, 7 or 8), or if the improvement does not meet the minimum performance requirement, you may be able to qualify for financing by demonstrating that the project will pay for itself within 15 years (building improvements), 5 years (replacement appliances) or 10 years (all others). This is done with a technical audit. You also may want an audit if you need technical assistance to determine what improvements are appropriate for your project.

## Do-It-Yourself Audits and More

Forms 32 and 33 provide a simple energy audit that you can complete yourself. Form 36 provides a format for waste minimization audits. Free or low-cost energy audits may also be available from your local electric or natural gas utility. If these are unavailable or not appropriate, you may seek assistance from a professional engineer, architect or other appropriate technician. The Energy Office maintains a list of auditors who have agreed to certain pricing guidelines. When a third party prepares the technical audit, that person must complete and sign an Auditor No Interest Statement, and you must complete the Utility Records Release, both on Form 34.

Submit the completed audit, with all supporting documentation, to the Energy Office. The Office will review the audit to make sure that savings estimates are reasonable, and will return a Technical Audit Acceptance, Form 6, to you. This form lists those improvements identified in the audit which qualify for financing with a Dollar and Energy Saving Loan. Take Form 6 to your lender and proceed with financing the improvements. The audit cost may be added to a low-interest loan to install the recommended improvements.

## Audit Loans

A technical audit may be financed through a no-interest loan, repayable directly to the Energy Office. Use Forms 30 and 31 to apply for an audit loan.

No state or federal tax funds have been used for these loans. The funding comes from a series of court settlements which found price violations by oil companies had occurred between 1973 and 1981. This program has been created to provide restitution to Nebraskans whose petroleum use was so slight as to make direct restitution impractical.

## For More Information, Contact

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